

RHODE ISLAND CLEAN WATER FINANCE AGENCY

MEETING OF THE BOARD OF DIRECTORS

PUBLIC SESSION

NOVEMBER 17, 2014

A meeting of the Board of Directors of the Rhode Island Clean Water Finance Agency in Public Session was held on Monday, November 17, 2014 in the conference room of the Rhode Island Clean Water Finance Agency, 235 Promenade Street, Suite 119, Providence, Rhode Island pursuant to a duly posted public notice of the meeting and notice given to all the Directors. The meeting was called to order by the Chairman of the Board James M. Hagerty at approximately 3:30 p.m.

Directors present were: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Directors absent were: Lisa Ferrara

Also present were: William Sequino, Jr., Executive Director; Michael P. Larocque, Deputy Director; Anna Coelho Cortes, Drinking Water Program Manager; Helen Terra, Road and Bridge Program/Compliance Manager; Michael Pagliaro, Agency Accountant; Marcelina Jackson, Administrative Assistant; Gerald Harrington, Christopher Vitale and Katie Nee, Harrington & Vitale, Agency Legal Counsel; Maureen Gurghigian and Adam Krea, First Southwest Company, Agency Financial Advisor; Neal Pandozzi, Nixon Peabody, Agency Bond Counsel; Kimberly Welsh and Steven Pitassi, Janney Montgomery; Karen Beard, U.S. Bank; Mark Caccia and Donna Caccia, Cayer Caccia.

Chairman Hagerty opened the meeting by declaring a quorum. The Chairman addressed the first item on the Agenda. The first item on the Agenda was the review and approval of the September 15, 2014 Board Meeting Minutes. After review and discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the September 15, 2014 Board Meeting Minutes.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Item #2 on the agenda was review and consideration of the Agency's 2014 Financial Audit by Cayer Caccia LLP. Donna Caccia presented the report, distributed a handout and summarized the audit findings for the Board and that the Agency required a single audit this year.

After discussion on the Cayer Caccia audit report, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the FY 2014 Financial Audit by Cayer Caccia.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Item #3 on the agenda was review and consideration of the Agency's July, 2014 Financial Statements. Michael Larocque summarized the Revenue and Expense Report and Balance Sheet for the month of July, 2014. After a brief discussion, a motion was made and seconded and the following vote was taken:

Voted: That the Board of Directors approve the Agency financial statements for the month of July, 2014 as reported by the Deputy Director.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Item #4 on the agenda was review and consideration of the Town of Tiverton in an amount up to \$300,000 out of the Community Septic System Loan Program. Adam Krea summarized the Town of Tiverton's credit review for the Board of Directors. After discussion, Mr. Krea recommended the Agency's Board of Directors accept the loan application from the Town of Tiverton in an amount up to \$300,000 out of the Community Septic System Loan Program with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Management's (DEM's) Project Priority List;
- 2) that the borrower comply with Federal, State, and Agency laws, rules and regulations;
- 3) that a satisfactory loan agreement be signed by all parties of the transaction;
- 4) that the loan will be made subject to availability of funds; and
- 5) that the loan will be made subject ranking on DEM's Project Priority List.

After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors accept the loan application for the Town of Tiverton in an amount up to \$300,000 out of the Community Septic System Program with the following caveats:

- 1) that all projects to be funded appear on Department of Environmental Management's (DEM's) Project Priority List;
- 2) that the borrower comply with Federal, State, and Agency laws, rules and regulations;
- 3) that a satisfactory loan agreement be signed by all parties of the transaction;
- 4) that the loan will be made subject to availability of funds; and
- 5) that the loan will be made subject ranking on DEM's Project Priority List.

Voting in favor of the foregoing: Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Chairman James M. Hagerty recused from discussion or voting on the application from the Town of Tiverton stating that his employer, the Washington Trust Company has a credit relationship with the Town of Tiverton.

Item #5 on the agenda was review of Drinking Water SRF Bond Issue. William Sequino, Jr. Executive Director explained that the Drinking Water SRF is moving slowly and the East Providence and Providence Water Supply Board will have their Certificate of Approval (COA) issued from DOH on/about November 18, 2014 and the \$15M bond should close Dec 8, 2014 or December 17, 2014.

Item # 6 on the agenda was update on Quasi-public transparency legislation implementation. Christopher Vitale updated the Board on the Quasi-public transparency legislation implementation stating that the bill effective date is January 1, 2015 and the items that require a Board vote will be presented to the Board at the December Board Meeting. He allowed for questions and comments.

Item #7 on the agenda was discussion of SEC MCDC initiative. Christopher Vitale gave an overview of the SEC MCDC initiative and the research conducted by Agency Counsel and Agency Bond Counsel, and together with Agency Bond Counsel, Neal Pandozzi, recommended that because the Agency is in compliance in all material respects with its continuing disclosure obligations, the Agency does not need to participate in the SEC MCDC Initiative.

Item # 8 on the agenda was expenses. Invoices from, US Bank, First Southwest, Harrington & Vitale, LTD, Nixon Peabody, LLP., Cayer Caccia, Providence Journal, Bank of America, and Staples were presented in the aggregate amount of \$132,906.87 After discussion, a motion was made and seconded and the following vote taken:

Voted: That the Board of Directors approve the invoices from the expenses listed above in the amount of \$132,906.87.

Voting in favor of the foregoing were: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Being that there was no further business, a motion was made by Scott Lajoie and seconded by Joshua Celste to adjourn the meeting @ 4:15 p.m.

Voted: That the Board of Directors adjourn the meeting at 4:15 p.m.

Voting in favor of the foregoing: Chairman James M. Hagerty, Joshua Celeste, Scott Lajoie, and Andrew Marcaccio.

Voting against the foregoing were: None.

Secretary

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